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Infinite Campus files litigation to force TIES to comply with Minnesota public bidding law
Seeks to protect taxpayers' education dollars with better products and lower cost

BLAINE, Minn. (October 8, 2015) – Infinite Campus, a Blaine, Minnesota-based developer and provider of K-12 student information system solutions, today commenced a civil complaint against Technology and Information Educational Services (TIES) and Mark Wolak, in his capacity as executive director of TIES, for TIES' failure to comply with the competitive bidding process as required by Minnesota statute and its failure to comply with the Minnesota Government Data Practices Act. The complaint was filed with the Ramsey County District Court.

TIES is a joint powers board formed in 1967 by and between Minnesota independent school districts to provide member school districts education technology services and is identified by the Minnesota Department of Education as an independent school district (Region 7-TIES, ISD 925-82). Currently, TIES consists of 49 member school districts that pay annual membership fees to TIES for each student enrolled in the district. Recent figures indicate the fee to be \$40.23 per student per year. Additional fees established by TIES are also assessed to school districts for various services.

The civil complaint stems from TIES' decision to enter into a contract with an Arizona company, Edupoint, without putting the contract out for competitive bid, in violation of Minnesota statutes and TIES' own bylaws.

Minnesota statute requires a school board to solicit competitive proposals for any contract estimated to exceed \$100,000. Infinite Campus estimates the value of the contract between TIES and Edupoint is at least \$1.35 million per year, and it could be significantly larger.

Over its anticipated lifetime, the estimated cost to school districts of this no-bid contract could exceed \$20 million. A company such as Infinite Campus could provide similar services at roughly half the cost.

TIES has a well-documented history of financial mismanagement and inappropriate business practices that has been the subject of various investigations and significant media attention. This impropriety includes failure to properly review and maintain its bank account and ledgers, incurring operating deficits, massive overspending and absence of change-orders to build out an event center, failure to charge rental fees for the event center, inappropriate handling of cash from State Fair parking fees, acceptance of gift cards from a nearby bar, among other allegations.

“With the allegations of serious mismanagement and controversy involving former TIES executives, we are both shocked and disappointed that the new management would ignore Minnesota law and award a multi-million dollar contract without putting it out for competitive bid,” said Charlie Kratsch, Founder and CEO of Infinite Campus. “Competitive bidding helps ensure that the public receives the highest quality services at the best price. With all the financial pressures facing our school districts, a public entity like TIES should not be overpaying an Arizona company for these services when these dollars can be better spent in Minnesota classrooms.”

The civil complaint also alleges TIES violated the Minnesota Government Data Practices Act by withholding certain documents and significantly redacting other documents related to the value of the TIES contract with Edupoint. These documents were requested by legal counsel for Infinite Campus under the Minnesota Government Data Practices Act. In those documents produced by TIES, information was redacted that does not meet the definition of “trade secret information,” as wrongfully claimed by TIES in correspondence to Infinite Campus legal counsel.

In December 2014, a StarTribune article on the mismanagement of funds at TIES stated: “Minnesota Legislative Auditor Jim Nobles has said the state will look into the irregularities at TIES because organizations spending public money need accountability.” In a subsequent request for information, the Legislative Auditor’s office indicated that the State Auditor has jurisdiction to audit TIES, not the Legislative Auditor. Therefore, Infinite Campus will notify the Minnesota Office of the State Auditor of the litigation in light of the fact that the State Auditor should conduct an investigation of various allegations involving TIES and its business practices.

“Infinite Campus is not seeking any monetary gain or damages for itself in filing this litigation; rather, we want to compel TIES to follow the law and put these services up for competitive bids, the same as other school districts and public agencies are required to do,” said Kratsch. “Infinite Campus is willing to compete for this business against other companies. We are confident Infinite Campus can deliver the same services to Minnesota school districts at a lower price and at a higher quality, which is in the best interests of Minnesota students, school districts and taxpayers.”

About Infinite Campus

Infinite Campus, the most trusted name in student information, provides services to 7.3 million students in 45 states. For more than 20 years, Infinite Campus has successfully implemented its solutions for school districts of all sizes, from those with fewer than 100 students to those with more than 600,000 students. Infinite Campus clients include school districts, regional consortia, state departments of education and the federal government. www.infinitecampus.com.

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